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INSTRUMENT PREPARED BY  
VIRGINIA GAS AND OIL BOARD

ORDER RECORDED UNDER CODE  
OF VIRGINIA SECTION 45.1-361.26

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB-07/01/16-1859

ELECTIONS, UNIT: 824155

(hereinafter "Subject Drilling Unit")

TAX MAP IDENTIFICATION NUMBERS:

TAX MAP IDENTIFICATION NUMBERS FOR ALL PARCELS  
AFFECTED BY THIS ORDER ARE SHOWN ON EXHIBITS (S) B  
WHICH IS/ARE ATTACHED TO AND A PART OF THIS ORDER.

REPORT OF BOARD

FINDINGS AND ORDER

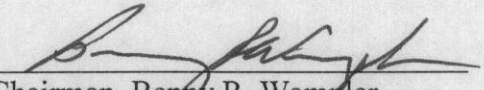
1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on June 19, 2007 and recorded instrument # 070002322 in the Office of the Clerk of Circuit Court, Buchanan County, Virginia on June 21, 2007 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
  - (a) The Board Order directed Chesapeake Appalachia LLC, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
  - (b) The designated operator filed its affidavit of mailing dated July 25, 2007, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;

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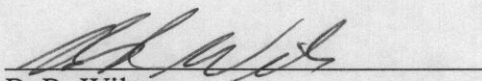
- (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated January 8, 2008, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
  - (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
  - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (540) 563-7764, Attn: Judy Barger, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, (888) 396-0853, Attn: Judy Barger, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.
5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
6. Effective Date: This Order shall be effective on the date of its execution.



DONE AND EXECUTED this 15<sup>th</sup> day of January, 2008 by a majority of  
the Virginia Gas and Oil Board.

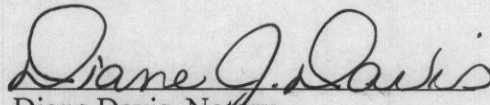
  
Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 15<sup>th</sup> day of January, 2008 by  
Order of this Board.

  
B. R. Wilson  
Principal Executive to the Staff  
Virginia Gas and Oil Board

STATE OF VIRGINIA   )  
COUNTY OF WASHINGTON )

Acknowledged on this 15<sup>th</sup> day of January, 2008, personally before me  
a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler,  
being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil  
Board, and B. R. Wilson, being duly sworn did depose and say that he is Principal  
Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and  
was authorized to do so.

  
Diane Davis, Notary  
174394

My commission expires: September 30, 2009

**VIRGINIA:**

***BEFORE THE VIRGINIA GAS AND OIL BOARD***

IN RE: Application of Chesapeake Appalachia LLC for Forced Pooling of Interests in Unit Number 824155, VGOB Docket No. VGOB-07/01/16-1859 in the Prater Magisterial District of Buchanan County, Virginia.

**AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER**

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on June 19, 2007, by the Virginia Gas and Oil Board regarding the captioned conventional Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on June 21, 2007.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

**Tract**

**Lessor**

**Elected**

3

CNX Gas company LLC  
P.O. Box 947  
Bluefield, VA 24605

Participate



6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia as unknown/unlocatable.

NONE

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

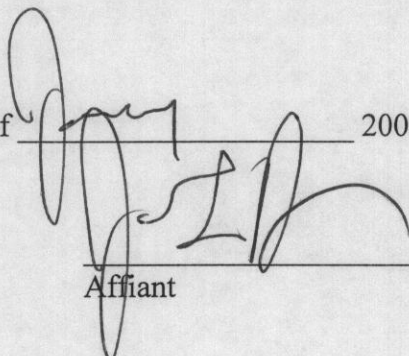
NONE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

NONE

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are not required in this matter pursuant to the terms of §§ 45.1-361.21.D.

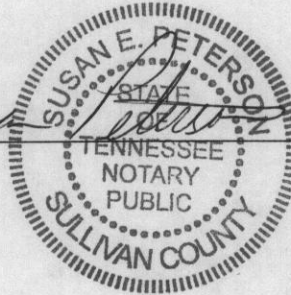
Dated at Kingsport, Tennessee, this 8<sup>th</sup> day of August 2008.

  
\_\_\_\_\_  
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Chesapeake Appalachia LLC, a corporation, on behalf of the corporation, this 8th day of January, 2008.

My commission expires: 11-12-08

Notary





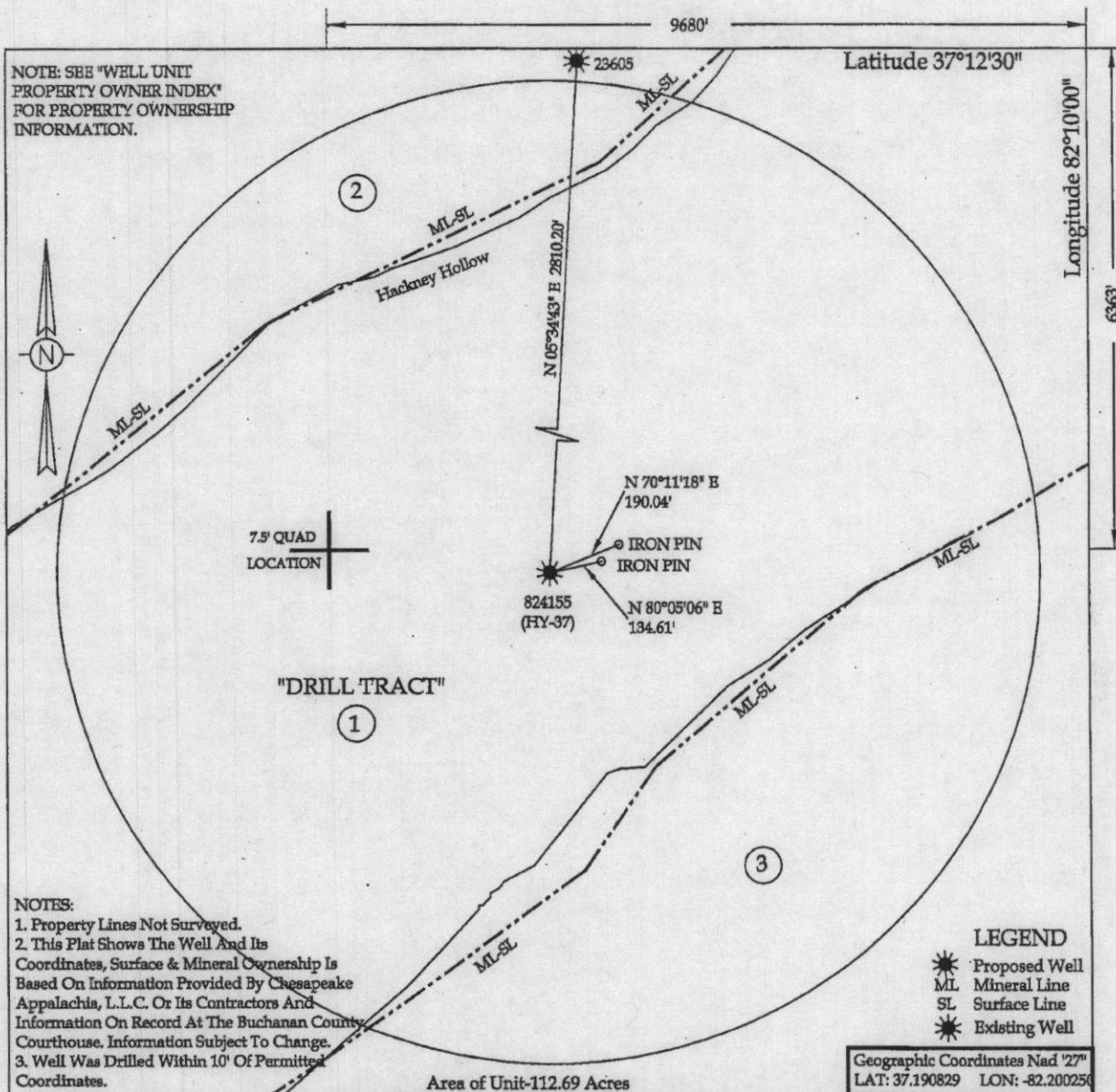
**EXHIBIT B**  
**Well No. 824155 (HY-37)**  
 Revised 9.26.07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>PERCENT INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE WITHIN UNIT</u>
<b>TRACT 1 77.78 Acres in Unit</b>			
Samuel J. Breeding, Jr. 4322 Louita Avenue Kingsport, TN 37660	Leased	69.021209%	77.780000
<b>TRACT 2 10.96 Acres in Unit</b>			
Pine Mountain Oil & Gas, Inc. c/o Jerry Grantham P. O. Box 2136 Abingdon, VA 24212	Leased	9.725796%	10.960000
Mr. John Mooney ACIN, LLC WBRD, LLC P.O. Box 2827 Huntington, WV 25727			
Mr. Steve Smith Maxxim Shared Services, LLC Paramont Coal Company Virginia, LLC P.O. Box 1578 Coeburn, VA 24230			
Mr. Larry Cline Alpha Land and Reserves, LLC 1 Alpha Place P.O. Box 2345 Abingdon, VA 24212			
<b>TRACT 3 23.95 Acres in Unit</b>			
War Fork Coals Partnership c/o John C. Irvin, Agent 4710 Hunterwood Circle Richmond, TX 77469	Unleased** Participating	21.252995%	23.950000
CNX Gas Company LLC P.O. Box 947 Bluefield, VA 24605 **(Oil & Gas Lessee)			
<b>TOTAL GAS ESTATE</b>		100.000000%	112.690000
Total Percentage Leased		78.747005%	
Total Percentage Unleased		21.252995%	
Total Acreage Leased			88.740000
Total Acreage Unleased			23.950000

**EXHIBT B-3**  
**Well No. 824155 (HY-37)**  
Revised 9.26.07

<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
<b>TRACT 3 23.95 Acres in Unit</b>			
War Fork Coals Partnership c/o John C. Irvin, Agent 4710 Hunterwood Circle Richmond, TX 77469	Unleased** <b>Participating</b>	21.252995%	23.950000
CNX Gas Company LLC P.O. Box 947 Bluefield, VA 24605 **(Oil & Gas Lessee)			
<hr/>			
Total Percentage Unleased		21.252995%	
Total Acreage Unleased			23.950000





# WELL LOCATION PLAT

Company Chesapeake Appalachia, LLC Well Name or Number 824155 (HY-37)

Tract No. Samuel J. Breeding, Jr. (218.98 Ac. Tract) Quadrangle Prater

District Prater

Well Coordinates (Virginia State Plane) N 333,317.97 E 922,416.69

Elevation: 2002.25 Method Used to Determine Elevation: Trig. Levels from GPS derived elevation.

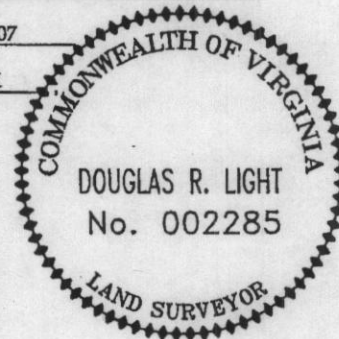
County Buchanan Scale: 1" = 400' Date 6-21-07

This Plat is a new plat \_\_\_\_\_; an updated plat \_\_\_\_\_; or a final location plat X

+ Denotes the location of a well on United States topographic maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Form DGO-GO-7  
Rev. 1-98

Douglas R. Light  
Licensed Professional Engineer or Licensed Land Surveyor



0009

DGO-7 Supplement  
WELL UNIT PROPERTY OWNER INDEX  
Chesapeake Appalachia, L.L.C.  
824155 (HY-37) with pipeline

(1)  
"Drill Tract"  
Surface, Oil & Gas  
Samuel J. Breeding, Jr.  
(218.98 Ac. Tract)  
77.78 Ac. ~ 69.02% of 112.69 Ac.

(2)  
Pine Mountain Oil & Gas, Inc. (Oil & Gas)  
(412 Ac. Tract)  
10.96 Ac. ~ 9.73% of 112.69 Ac.

(3)  
War Fork Coals Partnership (Mineral)  
(410 Ac. Tract)  
23.95 Ac. ~ 21.25% of 112.69 Ac.

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgement annexed, admitted to record this 23<sup>rd</sup> day of January, 2008.

Instrument No. 080000284 1:58pm

TESTE: Beverly S. Tiller, Clerk

Returned to: Dmme

TESTE:

Beverly S. Tiller

Deputy Clerk